



The Senate

STATE CAPITOL
HONOLULU, HAWAII 96813

November 19, 2009

Mr. George Kahooohanohano
Chair, Board of Trustees
Hawaii Employer Union Trust Fund
102 Merchant Street, Suite 1520
Honolulu, Hawaii 96813

VIA FACSIMILE AND EMAIL
kahooohang001@hawaii.rr.com
808-893-0016
eutfadmin@hawaii.gov
808-586-2320

Dear Chairperson Kahooohanohano:

In our letter of November 9, 2009, we expressed to you how deeply troubled we were over reports being received concerning the conduct of the Hawaii Employer Union Trust Fund (EUTF) enrollment process now in progress and its impact on our State employees. These reports concerned the inadequacy of materials informing EUTF enrollees of the choices that are being placed before them as well as misleading statements on the actions they will need to take to ensure the continuity of their health care insurance coverage.

We commend your recent action to call a special meeting of the EUTF Board for Monday, November 23, 2009 in order that these concerns may be addressed.

To reiterate, the EUTF is still distributing information that states that no action is needed if an enrollee desires to continue with the same enrollments and plan designs. This is simply not the case if the enrollee desires to remain with their current plan administrator. In addition, instead of providing EUTF enrollees with maximum choice when it comes to their health care options, the enrollment process restricts and decreases those choices.

We are also aware that this current EUTF open enrollment process is a significant departure from all previous EUTF open enrollments with which we are familiar, and that it constitutes a major problem for enrollees who have never been confronted with being automatically defaulted to another health plan carrier and forced to take an extraordinary action to simply stay with their current health plan administrator.

To add to this confusion is the EUTF's staffs own admission that critical deadlines for processing enrollee changes are in serious jeopardy and will be cause for more disruption.

The effect of this situation, that is, the lack of proper information, notification, a substantial change in previous policy, the elimination of choice, and the inability of staff to implement will

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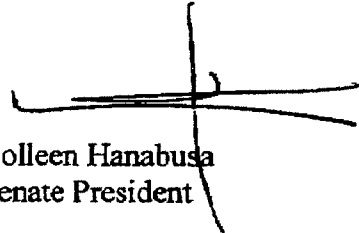
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result in mass confusion and the serious disruption of health care for thousands of employees and their families.


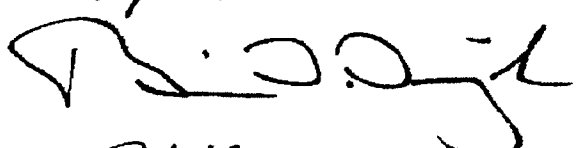
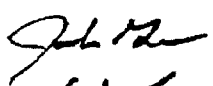
We are very concerned about the impact of all this on EUTF employees especially given the burden they now bear in this distressed economy. We agree that the current enrollment process is seriously flawed and beyond repair. Thus, we strongly recommend that this process be immediately cancelled in order to avoid having EUTF enrollees go through the major disruption that will follow. We hope you will consider this action at the November 23rd special meeting of the Board. By taking such action, the Board will have the time to reconsider its approach and strategies, and make appropriate changes for the next regularly scheduled open enrollment effective July 2010.





We believe that the EUTF enrollment process should provide each employee the option to choose the benefit plan design that best meets their needs and the plan administrator that provides quality customer service and the most appropriate network of service providers.

With warmest regards,


 Colleen Hanabusa
 Senate President

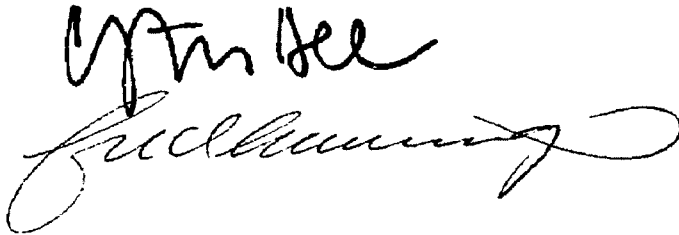
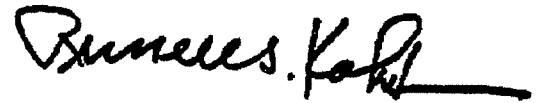

 David Y. Ige
 Chair, Senate Committee on Health




 Will Eyo
 Michelle Kadane
 Joe Alvarado
 J. Kelani Eguchi



 Rosalyn H. Baker
 Clarence "Mac" Hieber


 A. Ige

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A handwritten signature in black ink, appearing to read "C. M. Lee". The signature is fluid and cursive, with a large, sweeping flourish at the end.A handwritten signature in black ink, appearing to read "Dennis Kahl". The signature is cursive and ends with a horizontal line.

cc: Jim Williams, EUTF Administrator
EUTF Board Trustees

